

City Clerk File No. Ord. 14.137

Agenda No. 3.A 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.137

TITLE:

ORDINANCE SUPPLEMENTING CHAPTER A351 (EXECUTIVE ORDERS AND ORDINANCES) OF THE JERSEY CITY CODE TO CREATE A NEW CLASSIFIED POSITION FOR PROGRAM DEVELOPMENT SPECIALIST AGING

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

A. The following supplements to Chapter A351 (Executive Orders and Ordinances) of the Jersey City Code are adopted:

Labor Grade

Title

*

Program Development Specialist Aging

B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

C. This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

D. This ordinance shall take effect at the time and in the manner as provided by law.

E. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in [brackets] are omitted.
For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

*Pursuant to N.J.S.A. 40:69A-43a.

JF/he
10/08/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐



STEVEN M. FULOP
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY
OFFICE OF THE MAYOR

CITY HALL | 280 GROVE STREET | JERSEY CITY, NJ 07302
P: 201 547 5500 | F: 201 547 5442



STEVEN M. FULOP
MAYOR OF JERSEY CITY

E.O. _____

_____, 2014

EXECUTIVE ORDER OF THE MAYOR
OF THE
CITY OF JERSEY CITY

CLASSIFIED POSITIONS FOR CITY EMPLOYEES

Pursuant to the Faulkner Act, N.J.S.A. 40:69A-48, as amended by L.1985, c.374, the Mayor is now authorized to set the salaries, wages or other compensation of all employees of administrative departments except department directors and employees whose salaries are required to be set by ordinance.

Pursuant to this authorization, I issue the following Executive Order establishing guidelines for salaries and wages of those employees whose salaries are set by the Mayor:

Labor Grade

Title

14

Program Development Specialist Aging

This order shall take effect immediately.

Very truly yours,

STEVEN M. FULOP, MAYOR

SMF/he

cc: Robert J. Kakoleski, Business Administrator
Jeremy Farrell, Corporation Counsel
Robert Byrne, City Clerk
Donna Mauer, Chief Financial Officer
Nancy Ramos, Personnel Director

Ordinance/Resolution Fact Sheet

This summary sheet is to be attached to the front of any ordinance, resolution, cooperation agreement, or contract that is submitted for Council consideration. Incomplete or sketch summary sheets will be returned with the resolution or ordinance. The Department, Division, or Agency responsible for the overall implementation of the proposed project or program should provide a concise and accurate state of facts.

Full Title of Ordinance/Resolution/Cooperation Agreement:

Program Development Specialist Aging

Name & Title of Person Initiating Ordinance/Resolution, Etc.:

Nancy Ramos Human Resource Director

Concise Description of the Program, Project, or Plan Proposed in the Ordinance:

To establish a new title in accordance with New Jersey Department of Personnel Rules and Regulations.

Reasons for the Proposed Program, Project, Etc.:

Anticipated Benefits to the Community:

Cost of Program, Project, Etc. : (Indicate the dollar amount of City, State, Federal funds to be used as well as match and in-kind contributions.)

Date Proposed Program or Project will Commence:

Anticipated Completion Date:

Person Responsible for Coordinating Proposed Program, Project Etc.:

Additional Comments:

Union Affiliation- 246 Labor Grade - 14

I Certify That All Facts Present Herein Are Accurate.

10/6/14
Date

Nancy Ramos
Department Director

Date Submitted to Law Department 10-7-14

New Title

Program Development Specialist Aging

Minimum & Maximum

\$11,850 \$45,477

UNION #246 Lg- #14

Department: Health & Human Services

Luis Estevez

114 Country Village Rd.

Jersey City, NJ 07305

\$40,000

NR

City Clerk File No. _____ Ord. 14.138

Agenda No. _____ 3.B _____ 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.138

TITLE: ORDINANCE AMENDING CHAPTER 3 (ADMINISTRATION OF GOVERNMENT), ARTICLE XI (DEPARTMENT OF PUBLIC SAFETY), SUB-ARTICLE II (DIVISION OF FIRE AND EMERGENCY SERVICES) OF THE JERSEY CITY MUNICIPAL CODE REPEALING THE REQUIREMENT TO APPOINT LEGAL COUNSEL

COUNCIL offered and moved adoption of the following Ordinance:

- A. The following amendments to Chapter 3 (Administration of Government), Article XI (Department of Public Safety), Sub-Article II (Division of Fire and Emergency Services) are hereby adopted:

ADMINISTRATION OF GOVERNMENT
ARTICLE XI
Department of Public Safety
SUB-ARTICLE II
Division of Fire and Emergency Services

§3-88. Creation of the Division of Fire and Emergency Services

There shall be a Division of Fire and Emergency Services, the head of which shall be the Fire Chief. Within the Division of Fire and Emergency Services, there shall be the Bureaus of Fire Operations and Fire Prevention.

- A. The Bureau of Fire Operations shall perform the following functions:

(1) Through (11) No Change.

- B. Bureau of Fire Prevention shall perform the following functions:

The Uniform Fire Safety Act, N.J.S.A. 52:27D-192 et seq. The Bureau of Fire Prevention shall conduct periodic inspections of Life Hazard Use Occupancies required by the Uniform Fire Code on behalf of the Commissioner of the New Jersey Department of Community Affairs.

- (1) There shall be a Fire Prevention Bureau within the Department of Public Safety, the head of which shall be designated as the Fire Official. The Fire Prevention Bureau shall be the local enforcing agency for the Uniform Fire Safety Act, N.J.S.A. 52:27D-192 et seq., as authorized by the Act.
- (2) The Fire Prevention Bureau shall conduct periodic inspections of Life Hazard Use Occupancies required by the Uniform Fire Code on behalf of the Commissioner of the New Jersey Department of Community Affairs.
- (3) Local Enforcement - pursuant to Section 1 of the Uniform Fire Safety Act (P.L. 1983 c. 383), the New Jersey Uniform Fire Code (N.J.A.C. 5:70-1 et seq.), shall be locally enforced in the City of Jersey City.

ORDINANCE AMENDING CHAPTER 3 (ADMINISTRATION OF GOVERNMENT), ARTICLE XI (DEPARTMENT OF PUBLIC SAFETY), SUB-ARTICLE II (DIVISION OF FIRE AND EMERGENCY SERVICES) OF THE JERSEY CITY MUNICIPAL CODE REPEALING THE REQUIREMENT TO APPOINT LEGAL COUNSEL

- (4) Agency Designation - the local enforcing agency shall be the Jersey City Division of Fire and Emergency Services through its Fire Prevention Bureau. Fire Prevention Bureau shall hereinafter be known as the local enforcing agency.
- (5) Duties - the local enforcing agency shall:
 - (a) enforce the Uniform Fire Code in all buildings, structures, and premises within the established boundaries of the City of Jersey City, other than one and two unit owner-occupied dwellings used exclusively for dwelling purposes and buildings, structures, and premises owned or operated by Federal Government, Interstate Agencies or the State;
 - (b) faithfully comply with all the pertinent requirements of the Uniform Fire Safety Act and the Uniform Fire Code.
- (6) Organization - the Fire Prevention Bureau shall:
 - (a) be under the direct supervision and control of a Fire Official, who shall report to the Director of Public Safety;
 - (b) have paid Fire Inspectors.
- (7) Appointment, Qualifications, Term of Office, Removal of the Fire Official, Inspectors and/or Legal Counsel:
 - (a) Fire Official shall be certified by the State, and appointed by the governing body from a list submitted by the Director of Public Safety;
 - (b) Inspectors and other employees of the enforcing agency shall be appointed by the governing body upon recommendation of the Fire Official. All life hazard use Inspectors shall be certified by the State and shall comply with all pertinent Civil Service regulations;
 - ~~[(c) Legal Counsel - the governing body shall specifically appoint legal counsel to assist the agency in enforcing the Uniform Fire Code;]~~
 - ~~(d)~~(c) Removal of office - the Fire Official shall be subject to removal by the governing body for just cause. Before removal from office, the Fire Official shall be afforded an opportunity to be heard by the governing body or a hearing officer designated by the same.
- (8) Life Hazard Uses - the Fire Prevention Bureau shall carry out the periodic inspections of life hazard uses required by the Uniform Fire Code on behalf of the Commissioner of the New Jersey Department of Community Affairs.
- (9) Arson Investigation - there is hereby established within the Department of Public Safety an Arson Investigation Unit. Under the supervision of the Fire Official, the Arson Investigation Unit shall conduct investigations of arson, suspicious fires, undetermined fires, and explosions within the City of Jersey City.
 - (a) Before any member of the Department of Public Safety may be assigned to the Arson Investigation Unit, he/she shall have successfully completed a course of training approved by the Police Training commission and an arson investigation training course approved by the New Jersey Department of Public Safety;

ORDINANCE AMENDING CHAPTER 3 (ADMINISTRATION OF GOVERNMENT), ARTICLE XI (DEPARTMENT OF PUBLIC SAFETY), SUB-ARTICLE II (DIVISION OF FIRE AND EMERGENCY SERVICES) OF THE JERSEY CITY MUNICIPAL CODE
REPEALING THE REQUIREMENT TO APPOINT LEGAL COUNSEL

- (b) Members of the Arson Investigation Unit shall have the same powers and authority as police officers within the City of Jersey City while engaged in the actual performance of investigation duties, specifically including the right to carry firearms pursuant to regulations promulgated by the Director of Public Safety of the City of Jersey City.

§3-88.1. Through §3-88.9. No Change.

- B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- C. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall take effect at the time and in the manner as provided by law.
- E. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

Note: All new material is underlined; words in [brackets] are omitted.
For purposes of advertising only, new matter is **boldface** and repealed matter by *italics*.

JM/he
10/15/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE AMENDING CHAPTER 3 (ADMINISTRATION OF GOVERNMENT), ARTICLE XI (DEPARTMENT OF PUBLIC SAFETY), SUB-ARTICLE II (DIVISION OF FIRE AND EMERGENCY SERVICES) OF THE JERSEY CITY MUNICIPAL CODE REPEALING THE REQUIREMENT TO APPOINT LEGAL COUNSEL

Initiator

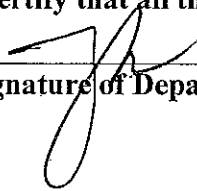
Department/Division	Law	Law
Name/Title	Jeremy Farrell	Corporation Counsel
Phone/email	(201) 547-4667	JFarrell@icnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

Fire Prevention Bureau does not require a separate appointment of counsel. If legal advice is required, the Division of Fire Safety is to contact the Corporation Counsel.

I certify that all the facts presented herein are accurate.


Signature of Department Director

10/16/14
Date

City Clerk File No. Ord. 14.139

Agenda No. 3.C 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.139

TITLE:

AN ORDINANCE TO AMEND THE SIP AVENUE GATEWAY REDEVELOPMENT PLAN TO EXPAND THE COMMERCIAL AREA

WHEREAS, the Municipal Council of the City of Jersey City, adopted the Sip Avenue Gateway Redevelopment Plan at its meeting of March 10, 2004; and

WHEREAS, the Local Redevelopment and Housing Law, (NJSA 40A:12A-1 et seq.) permits municipalities to adopt and amend regulations dealing with areas declared to be in need of redevelopment; and

WHEREAS, the Municipal Council seeks to expand commercial land uses within the Sip Avenue Gateway Redevelopment Plan; and

WHEREAS, a copy of the amended text is attached hereto and made a part hereof, and is available for public inspection at the Offices of the City Clerk, City Hall, 280 Grove Street, Jersey City, NJ; and

WHEREAS, the following amendments to the Sip Avenue Gateway Redevelopment Plan have been reviewed by the Jersey City Planning Board at its meeting of October 21, 2014; and

WHEREAS, the Planning Board voted to recommend adoption of these amendments by the Municipal Council; and

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that the recommended amendments to the Sip Avenue Gateway Redevelopment Plan be, and hereby are, adopted.

BE IT FURTHER ORDAINED THAT:

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible repeaters of existing provisions.
- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is hereby directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.

Robert D. Cotter, PP, FAICP, Director of Planning

APPROVED AS TO LEGAL FORM

APPROVED: _____

APPROVED: _____

Corporation Counsel

Business Administrator

Certification Required ☐

Not Required ☐

ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution/ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution/ordinance.

Full Title of Ordinance/Resolution

AN ORDINANCE TO AMEND THE SIP AVENUE GATEWAY REDEVELOPMENT PLAN TO EXPAND THE COMMERCIAL AREA

Initiator

Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, FAICP	Director
	Jeff Wenger, AICP	Principal Planner
Phone/email	201-547-5010	bobbyc@jcnj.org / jeff@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Purpose

This ordinance amends the Sip Avenue Gateway Redevelopment Plan to expand the existing Commercial subdistrict to include the current car wash and adjacent parking lot site on Block 10201 Lot 1 and Lot 36.


I certify that all the facts presented herein are accurate.


Signature of Department Director

Date

SUMMARY STATEMENT

AN ORDINANCE TO AMEND THE SIP AVENUE GATEWAY REDEVELOPMENT PLAN TO EXPAND THE COMMERCIAL AREA

This ordinance amends the Sip Avenue Gateway Redevelopment Plan to expand the existing Commercial subdistrict to include the current car wash and adjacent parking lot site on Block 10201 Lot 1 and Lot 36.

PROPOSED AMENDMENTS TO THE SIP AVENUE GATEWAY REDEVELOPMENT PLAN

PRESENTED TO THE JERSEY CITY PLANNING BOARD ON OCTOBER 21, 2014

Text that is unchanged is in plain face type like this.

Text that is deleted is in strike-through ~~like this~~.

Text that is added is in bold **like this**.

I. INTRODUCTION

The Sip Avenue Gateway Redevelopment Plan (the Plan) will regulate development within the Sip Avenue Gateway Redevelopment Area (the Area). The Area is comprised of a mix of industrial, commercial and residential buildings, some of which are dilapidated and others that are in poor to good condition. The area is currently zoned HC, Highway Commercial, and R-3, Multi-Family Mid-rise. The surrounding area to the east is primarily residential in character, zoned R-1. To the north of the Study Area is the Marion Gardens complex, and to the south is Holy Name Cemetery, zoned R-3 and Cemetery respectively. The area to the west of the Study Area is industrial in character and is zoned "I."

The setting for the Sip Avenue Gateway Redevelopment Plan is an area of approximately 14 acres located in the Marion section on Jersey City's Westside, about a quarter mile west of Westside Avenue and adjacent to NJ Route 1&9. For many years, the area under study has been a mix of industrial, commercial and residential uses, mixed side-by-side. However, the immediate adjoining neighborhood is residential. This is typical of many older urban areas where residential homes were constructed immediately adjacent to industrial land uses

As far back as the 1960's, the character of the area began to change. Commercial use began to be developed along Route 1&9. Industrial uses are on the decline and residential uses are gaining ground.

It would appear that industrial development is no longer appropriate for this area. The area along Route 1&9 is much more suitable for commercial development, and the area immediately adjacent to the Study Area to the east, north and south is primarily residential in character. The majority of the structures are one and two family homes. For the most part, the homes are well maintained and the streets are narrow and tree lined. The proximity of the industrial uses in the Study Area are in stark contrast to the otherwise tranquil setting of this residential neighborhood.

II. BOUNDARIES

The Sip Avenue Gateway Study Area consists of Tax Lots found on six Tax Blocks in the Marion section of Jersey City. The Block Numbers for these Tax Blocks are 11703, 10202, 10201, 11803, 11802, and 11801. The following are the Lot numbers on each of the Blocks which are to be included in the Study Area.

Block	Lots
10202	1 through 11
11703	3
10201	entire block
11803	entire block
11802	entire block
11801	1, 2, 3, 4

The boundary of the Study Area is also depicted on Map 2. In the event of a discrepancy between lots listed in the chart and the Map, the Map takes precedence.

III. REDEVELOPMENT OBJECTIVES

The Redevelopment Plan is promulgated to:

- A. Promote the development of the Area as residential and commercial developments compatible with the surrounding neighborhood.
- B. Allow for the development of commercial facilities along Route 1&9 consistent with the development pattern in the area and recognizing the high volume of traffic along this major traffic corridor.
- C. Provide for the orderly phased conversion of industrial/commercial land and buildings within the redevelopment area to residential and/or commercial land uses consistent with the development pattern of nearby neighborhoods.
- D. Remove substandard and dilapidated structures and the other blighting influences.
- E. Improve the functional and physical layout of the project area for the contemplated new development to provide for improved traffic and pedestrian circulation.
- F. Provide site improvements for the beautification of the Redevelopment Area and surrounding areas.

IV. PROPOSED REDEVELOPMENT ACTIONS

It is proposed to substantially improve and upgrade the Sip Avenue Gateway Study Area through a combination of redevelopment actions which will provide a uniform and consistent attack on blight within the Study Area by systematically removing blighting influences in an orderly manner, starting with those structures and properties most deleterious to the Area.

- A. Demolition of structures determined to be impediments to sound and comprehensive redevelopment, starting with those most dilapidated.
- B. The consolidation and re-subdivision of land within the Area into suitable parcels for development for the new residential and commercial land uses.
- C. Provision for a full range of public infrastructure necessary to service and support the new development.
- D. Construction of new structures and complimentary facilities that are consistent with the land use pattern in the surrounding area.

V. GENERAL ADMINISTRATIVE PROVISIONS

The following provisions shall apply to all property located within the Sip Avenue Gateway Redevelopment Area:

- A. Prior to the commencement of: (a) any new construction, (b) reconstruction, (c) rehabilitation (d) any change to the interior floor plan of any structure, (e) any change in the use of any structure or parcel, or (f) any change in the intensity of use of any structure or parcel, a site plan for such shall be submitted by the developer or property owner to the Planning Board for review and site plan approval. No Building Permit shall be issued for any work associated with (a) through (f) above, without prior site plan review and approval of such work by the Planning Board.
- B. The provisions of this plan specifying the redevelopment of the project area and the requirements and restrictions with respect thereto shall be in effect for a period of forty (40) years from the original date of approval of this Plan by the Jersey City Municipal Council. Subsequent amendments hereto shall not alter or extend this period of duration, unless specifically extended by such amendments.
- C. Site plan review shall be conducted by the Planning Board pursuant to NJSA 40:55D-1 et. seq. Submission of a site plan and site plan application shall conform with the requirements of the Jersey City Land Development Ordinance and this Plan. Applications may be submitted for an entire project or in phases. As part of site plan approval, the Planning Board may require a developer to furnish performance guarantees pursuant to NJSA 40:55D-53. Such performance guarantees shall be in favor of the City of Jersey City, and be in a form approved by the Jersey City Corporation Counsel or the Planning Board attorney. The amount of any such performance guarantees shall be

determined by the City Engineer and shall be sufficient to assure completion of site improvements within one (1) year of final Site Plan approval.

- D. Any subdivision of lots and parcels of land within the Redevelopment Area shall be in accordance with this Plan's requirements and the Jersey City Land Development Ordinance.
- E. No development or redevelopment of any parcel in the Plan Area that will result in an increase in wastewater from that parcel shall be permitted unless and until the planned project wastewater piping and systems for the removal of effluent and storm water are approved by the City of Jersey City Division of Engineering and the Municipal Utilities Authority; and the municipal wastewater piping and systems for the removal of effluent and storm water are certified by the City of Jersey City Division of Engineering and the Municipal Utilities Authority as being of sufficient capacity and good condition to accommodate uses that will occupy said parcel. Such approval may be contingent upon requisite improvements to the drainage system in the street, as determined by the Division of Engineering.
- F. Non-conforming uses and structures may continue to function within the redevelopment area, provided that once redeveloped for a permitted use, no property may be returned to any use not expressly permitted in this Redevelopment Plan, and further provided that no non-conforming use or structure may be expanded or made more non-conforming in nature.
- G. The Planning Board may grant deviations from the regulations contained within this Redevelopment Plan, where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the developer of such property. The Planning Board may also grant a deviation from the regulations contained within this Redevelopment Plan related to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by such deviation from the strict application of the requirements of this Plan; and the benefits of granting the deviation would outweigh any detriments. The Planning Board may grant exceptions or waivers from design standards, from the requirements for site plan or subdivision approval as may be reasonable and within the general purpose and intent of the provisions for site plan review and/or subdivision approval within this Plan, if the literal enforcement of one or more provisions of the plan is impracticable or would exact undue hardship because of peculiar conditions pertaining to the site. No deviations may be granted under the terms of this section unless such deviations can be granted without resulting in substantial detriment to the public good and will not substantially impair the intent and purpose of the Redevelopment Plan. No deviations may be granted which will result in permitting a use that is not a permitted use within this Redevelopment Plan. An application requesting a deviation from the requirements of this Redevelopment Plan shall provide

public notice of such application in accordance with the public notice requirements set forth in NJSA 40:55D-12.a. & b.

- H. If any word, phrase, clause, section or provision of this Plan shall be found by a court of competent jurisdiction to be invalid, illegal or unconstitutional, such word, phrase, clause, section or provision shall be deemed severable and the remainder of the ordinance shall remain in full force and effect.

VI. GENERAL DESIGN AND LAND USE STANDARDS AND REQUIREMENTS

The following standards and requirements shall apply to all zones:

- A. No junked motor vehicles, or parts thereof, shall be permitted to be stored on any lot within the Area. Outdoor parking of vehicles that are inoperable or unregistered shall be prohibited.
- B. All utility distribution lines; utility service connections from such lines to the project area's individual uses; and utility appliances, regulators and metering devices shall be located underground or within enclosed structures. Remote readers are required for all utilities, in lieu of external location of the actual metering devices. Developers are required to arrange for connections to public and private utilities.
- C. Chain link fencing shall be prohibited along all street frontages within the Area, both residential and commercial, except during construction. Only tubular steel or mild steel, "wrought iron", decorative type fences will be permitted along Sip Avenue. Wooden board-on-board, or wooden picket fences may be permitted where the side yards of properties adjoin streets and/or where visual screening is appropriate, subject to review and approval by the Planning Board. Chain link fencing may be used along interior lot lines or along alleys subject to review and approval by the Planning Board. Chain link fencing for construction shall be dismantled and removed prior to the issuance of a Certificate of Occupancy. Barbed wire or razor wire shall be prohibited from all fencing.
- D. Billboards are expressly prohibited within the Area.
- E. Signs which include flashing, blinking or otherwise animated lights and/or parts, spinners, pennants, reflective materials, which sparkle or twinkle and/or similar materials are prohibited within the Plan Area.
- F. No advertising shall be permitted on parking meters, light poles, or on benches or other street furniture within the public right-of-way.
- G. All corner buildings shall have windows on both street frontages. When a building side faces a street it shall be decoratively appointed to complement the front entrance.
- H. All parts and components of cellular phone antennas, satellite dishes, and television and radio antennas shall be completely screened from view from all directions and elevations

on existing or planned structures, or shall be disguised within the architecture of a structure. Said screening shall be constructed in a manner that is pleasing to the eye and consistent with the surrounding architecture. In all cases, creative placement of said equipment is strongly encouraged in order to minimize the need for screening. No antenna of any sort may be located on the front of any structure.

- I. In all cases, rooftop mechanical equipment shall be screened from view from all directions and elevations to minimize the negative aesthetic impact upon the view from neighboring residential zones and from street level. Said screening shall be constructed in a manner that is pleasing to the eye and consistent with the surrounding architecture and the architecture of the building, and shall utilize the same materials used in the construction of the building, such that the screening appears to be an integral part of the building.
- J. Upon demolition of any existing structures, the site shall be graded, planted, sodded, paved and and/or developed in accordance with this Plan.
- K. All trash receptacles shall be adequately secured and enclosed. All exterior dumpsters shall be encompassed by opaque perimeter screening that is greater in height than the height of the dumpster and shall utilize materials similar to those used in the construction of the building. Said screening shall be constructed in a manner that is pleasing to the eye and consistent with the architecture of the building,
- L. On-street parking of trucks, tractor-trailers, trailers of any type, and buses, mini-buses and jitneys shall be prohibited.
- M. All outdoor storage shall be prohibited. The storage, processing, separation, or transfer of garbage or waste materials shall be prohibited.
- N. All buildings within the Redevelopment Area must display the street address of the building such that it is clearly visible from the adjoining street right-of-way.
- O. Existing lots of record that are undersized by 10% or less shall be considered to be conforming lots.

VII. DESIGN REQUIREMENTS

A. Building Design Requirements

- 1. All structures within the project area shall be situated with proper consideration of their relationship to other buildings, both existing and proposed, in terms of light, air and usable open space, access to public rights of way and off-street parking, height and bulk.
- 2. To the greatest extent possible, buildings should be oriented toward the street so as to contribute to the overall liveliness of the pedestrian environment. Commercial activities located along Sip Avenue should be oriented to the pedestrian sidewalk environment

3. Residential buildings within the Area should be designed such that the front facades do not create the appearance of a blank wall or a continuous row of garage doors along the street right-of-way. The use of design features such as, but not limited to stoops and porches, architectural fenestration, decorative window treatments, landscaping, and/or other architectural features and traditional front yards is required.
4. Commercial buildings within the project area shall be designed such that the front facades provide visual interest through the use of architectural elements such as window bays, cornices, pilasters, etc. and do not create the effect of a blank wall along the street frontage. The street level facade of stores in such buildings shall contain windows that are transparent between the height of three (3) feet and eight (8) feet. Back and side facades should contribute to the scale and appeal of the building by incorporating features characteristic to the front facade. All building facades that face on a public street shall comply with the requirements of the primary facade.
5. All dwellings shall be developed with a variety of materials including, but not limited to brick and vinyl siding. Decorative details shall be required on all such structures. Decorative features shall be incorporated to reflect the character of the surrounding residential neighborhoods. Monotony of form shall be avoided.
6. Porches shall not be enclosed or gated with metal, mesh wire or other railing material. Exterior window or door grills or bars are prohibited.
7. Signs shall be designed to complement the building's architecture. Lettering should be kept simple and clear and complement the style of the building. Illumination of all signs should be designed so as to avoid glare. Signs may not consist of more than three colors.
8. Groups of related buildings shall be designed to present a harmonious appearance in terms of architectural style and exterior materials. Buildings shall be designed so as to have an attractive, finished appearance when viewed from all vantage points within and outside the Area.
9. Window sills of dwellings shall not be less than five (5) feet above the elevation of the nearest sidewalk or pedestrian pathway.
10. A decorative wrought iron style fence shall enclose the front yard. The fence shall be at least three (3) feet in height, but not more than four (4) feet in height.

B. Landscaping and Lighting Requirements

1. Landscaping shall be required for any part of any parcel not used for buildings, off-street parking and/or loading spaces. All proposed site plans shall include plans for landscaping indicating the location, size and quantity of the various species to be used. A minimum of ten (10%) percent of any lot, site or parcel shall must be landscaped.

2. Parking lots for five (5) or more vehicles, and all loading areas, shall provide a planting area not less than five (5) feet wide along any street line. This five feet strip shall provide screening of the parked cars. All screen planting shall consist of evergreen material that at least three (3) feet high at the time of planting and is planted in order to achieve a solid screening effect within two years of planting. Within such parking areas, a minimum of one tree shall be planted for every 5 parking spaces. Street trees planted along the street right-of-way shall not be counted toward this requirement. Landscaping shall be maintained with shrubs no higher than three (3) feet and trees with branches no lower than ten (10) feet, and designed so that the landscaping is dispersed throughout the parking area.
3. All landscaping materials must be able to withstand the local environment. A planting and maintenance schedule shall be provided on all site plans. The Planning Board may require landscape buffering in addition to the minimum requirements herein to mitigate against blank walls and other such aesthetic impairments.
4. Shade trees shall be planted along all streets as part of any development or improvements. Spacing shall be determined by the mature spread of the trees used, such that spacing is no more than ten (10) feet wider than the width of the mature spread of the species planted. Each street shade tree shall be planted in a tree pit which shall contain either a decorative metal grate, decorative fence surround, or decorative paving treatment. Tree pits may be rectangular or square, depending on the width of the sidewalk.
5. Lighting within each site shall sufficiently illuminate all areas, including those areas where buildings are setback or offset to prevent "dark corners". All lighting sources must be adequately shielded to avoid any glare. The area of illumination shall have a fairly uniform pattern of at least one-half (0.5) foot-candles and no greater than 2.0 foot-candles.

C. Circulation and Off-street Parking Requirements

1. Sidewalk areas must be provided along the all streets and shall be properly sized for the safe and convenient movement of pedestrians through and around the Area and shall be a minimum of ten (10) feet wide on Sip Avenue and Route 1 & 9, as measured from the face of the curb. Sidewalks along all other streets shall have an unobstructed width of at least five (5) feet. A planting strip at least three (3) feet in width as measured from the curb shall be in addition to the required sidewalk area. The planting strip shall be used to locate required street trees and street lights.
2. All required parking spaces shall be a minimum of 9-feet wide by 18-feet deep. All aisles shall be a minimum of 24-feet wide. Off-street parking and loading areas shall be coordinated with the public street system serving the project area in order to avoid conflicts with vehicular traffic and/or obstruction to pedestrian walkways and thoroughfares.

VIII. LAND USE REGULATIONS

A. RESIDENTIAL A DISTRICT

The Residential A zone shall consist of Blocks 10202 and 11803. On these blocks new housing shall be limited to one and two family homes, consistent with the character of the surrounding neighborhood.

Development within this zone shall follow standards for the R-1 zone in the Jersey City Land Development Ordinance with the exception of mortuaries which are prohibited. Houses of worship are permitted under section E below.

B. RESIDENTIAL B DISTRICT

The Residential B zone shall consist of Block 10201. This district may employ the standards of the R-1, R-2 or R-3 zones of the Jersey City Land Development Ordinance, with the exception of mortuaries which are prohibited. Any site plan must choose between the R-1 or R-2 or R-3 standards, in its entirety. Houses of worship are permitted under section E below.

C. COMMERCIAL DISTRICT

The purpose of the Commercial district is to provide a suitable area along Route 1& 9 for the development of commercial land uses that are compatible with the area's highway location.

1. Permitted Principal Uses and Buildings:
 - a. Shopping Centers
 - b. Retail sales of goods and services
 - c. Restaurants
 - d. Offices and Financial Institutions
 - e. **Multi-purpose spaces for public assembly not to exceed 7,000 square feet**
 - f. **Car washes**
2. Permitted Accessory Uses, Buildings and Structures:
 - a. Off-street parking
 - b. Fences and walls
3. Minimum Off-Street Parking Requirements
 - a. Commercial uses shall provide a minimum of one parking space per 250 square feet of gross floor area
4. Sign Requirements

Total exterior sign area shall not exceed the equivalent of twenty (20%) percent of the first story portion of the wall to which it is attached. Each use shall be permitted one (1) identification sign for each street frontage. Buildings with multiple uses shall have not more than one sign per use, provided that the aggregate area of all signs does not exceed

the maximum area permitted for each street frontage. For purposes of calculating permitted sign area, the first story portion of the building shall not be considered to be any taller than fifteen (15) feet in height.

5. Bulk standards shall be the same as stated in the commercial district of the Water Street Redevelopment Plan.

D. TRANSITION DISTRICT

The Transition district shall consist of Block 11802. On this block redevelopment may use the provisions of either the Residential A with the exception of houses of worship and mortuaries which are prohibited; or the Commercial district, provided that commercial development shall be contiguous with the Commercial district.

E. HOUSE OF WORSHIP OVERLAY

A house of worship shall be a permitted use within Sip Avenue Gateway Redevelopment Area, except on block 11703. Development standards shall be as follows: (1) the minimum lot area for a House of Worship shall be sixty thousand (60,000) square feet; (2) the minimum parking requirement shall be one space for each eight (8) seats or seat equivalent; (3) the maximum height as measured to the roof of the structure shall be sixty (60) feet, exclusive of spires, towers and other ornamental features; (4) the maximum height of spires, towers and other ornamental features shall not exceed eighty five (85) feet; (5) the maximum building coverage shall be 50%; (6) the maximum lot coverage shall be 85%; (6) all building set back lines shall be contextual so as to line up to adjacent buildings; and (7) all surface parking areas shall include curbed landscape buffers a minimum of 4 feet wide and 8 inches high between all parking areas and public rights-of-way.

IX. ACQUISITION PLAN

The Sip Avenue Gateway Redevelopment Area is comprised of a compact and defined area within the City of Jersey City. The Area is important to the community as an area of residential and commercial development compatible with the surrounding land uses and development pattern. Incompatible land uses, vacant land, dilapidated buildings and other impediments to proper development must be removed in an orderly, planned and phased manner. As such, the following properties within the Study Area are proposed to be acquired:

Block 10202, lots 1, 2, 3, 4, 5, 6, 7, 8, 9;
Block 11703, lots 3;
Block 10201, lots 1, 2, 3, 4, 15, 18, 30;
Block 11803, lots 1, 2, 3, 4, 5, 12, 13, 14, 15, 16;
Block 11802, lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 (entire block);
Block 11801, lots 1, 2, 3, 4 (entire block).

The above lots are shown on Map 4, "Acquisition Map," and where the map and the above list disagree, the map shall take precedence.

X. RELOCATION PLAN

The process of relocating the affected persons and businesses will receive the careful attention of local officials and the Jersey City Redevelopment Agency, and be conducted in accordance with the requirements of all applicable Federal, State and Local laws.

XI. CIRCULATION PLAN

The existing street pattern and traffic circulation pattern will remain the same, with the exception of new curb cuts along Route 1&9 and Sip Avenue. The functioning of the vehicular and pedestrian circulation systems will be improved through the construction of new curbs and sidewalks within the Area by the designated developer as the Redevelopment Plan is implemented. Currently, many streets within the Area are lacking curbing, sidewalks or both. The provision of these new sidewalks and curbs will allow for the proper separation of pedestrian and vehicular traffic, improved traffic safety, the provision of on street parking and overall improved traffic flow and control in the area.

XII. OTHER PROVISIONS TO MEET STATE AND LOCAL REQUIREMENTS

In accordance with NJSA 40A:12A-1 et seq., Chapter 79, Laws of New Jersey 1992, known as "The Local Redevelopment and Housing Law", the following statements are made:

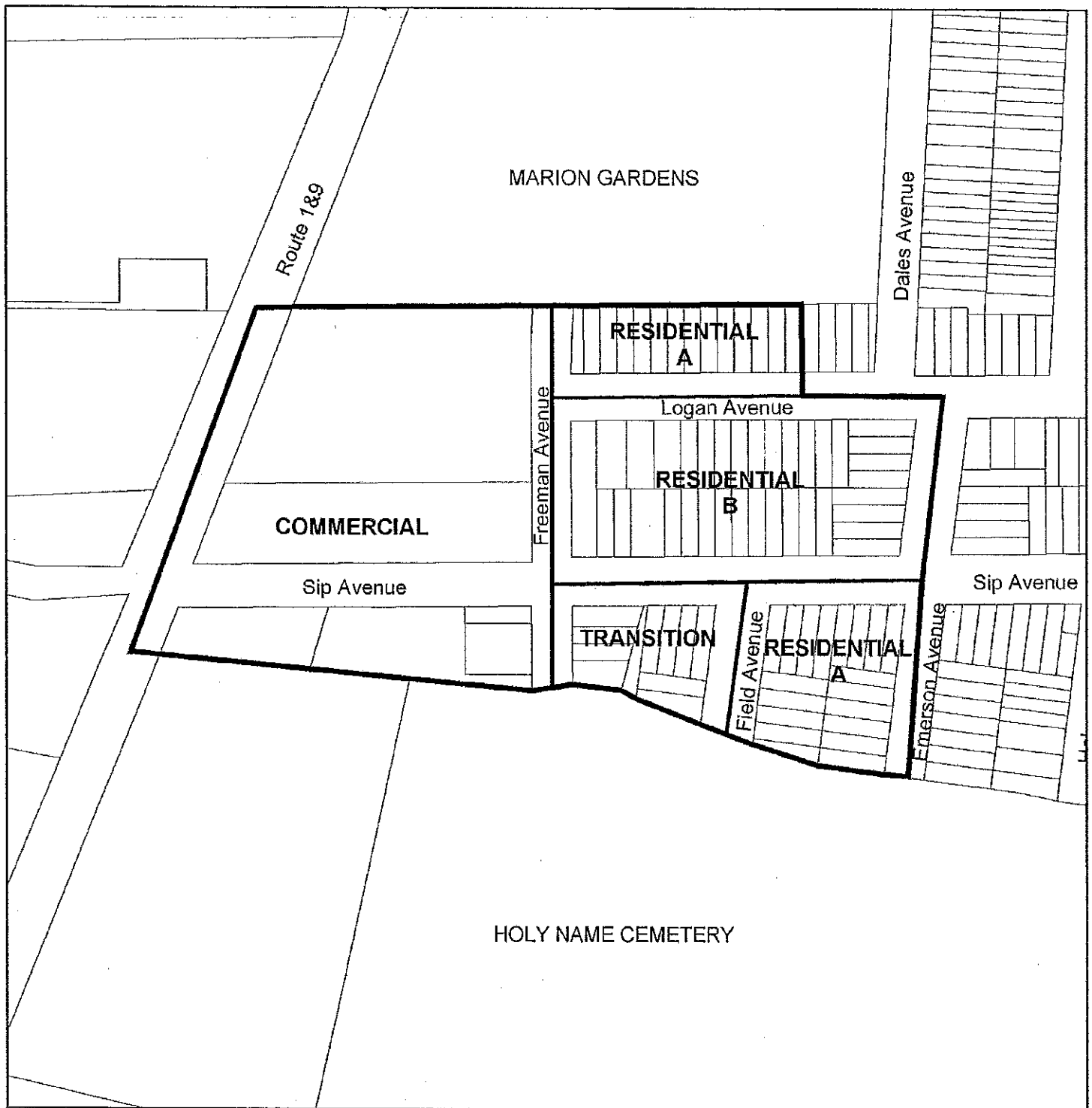
- A. The Plan herein has delineated a definite relationship to local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreation and community facilities and other public improvements.
- B. The Plan has laid out various strategies needed to be implemented in order to carry out the objectives of this plan.
- C. The Plan has given proposed land uses and building requirements for the redevelopment area.
- D. The Acquisition Map and Acquisition Plan (Section IX), which are a part of this Plan, indicate which properties are to be acquired as a result of this Plan.
- E. ~~The Plan is in compliance with the Jersey City Master Plan. The Master Plan of the County of Hudson is not contrary to the goals and objectives of the Jersey City Master Plan. The Plan complies with the goals and objectives of the New Jersey Development and Redevelopment Plan in that this Plan and the State's plan both recognize the need to redevelop urban land.~~

The regulations within this Plan are not in strict compliance with the adopted Master Plan of the City of Jersey City. The Master Plan for Jersey City was adopted by the Jersey City Planning Board in August of 2000. The Master Plan designates the western portion of Redevelopment Area as Commercial and the eastern portion as multi-family mid rise. This redevelopment plan extends the commercial land use district further east to incorporate lots that have been commercial in nature for many years and to fully leverage the commercial and employment opportunities afforded to this redevelopment area by its proximity to route 440

- F. This Redevelopment Plan shall supersede all provisions of the Jersey City Zoning Ordinance that are specifically addressed herein. Any zoning related question that is not addressed herein shall refer to the Jersey City Zoning Ordinance for clarification. No variance from the requirements herein shall be cognizable by the Zoning Board of Adjustment. The Planning Board alone shall have the authority to grant deviations from the requirements of this plan, as provided herein. Upon final adoption of this Plan by the Municipal Council of Jersey City, the Jersey City Zoning Map shall be amended to rezone the area covered by this Plan as the Water Street Redevelopment Area, and all underlying zoning will be voided.

XIII. PROCEDURE FOR AMENDING THE PLAN

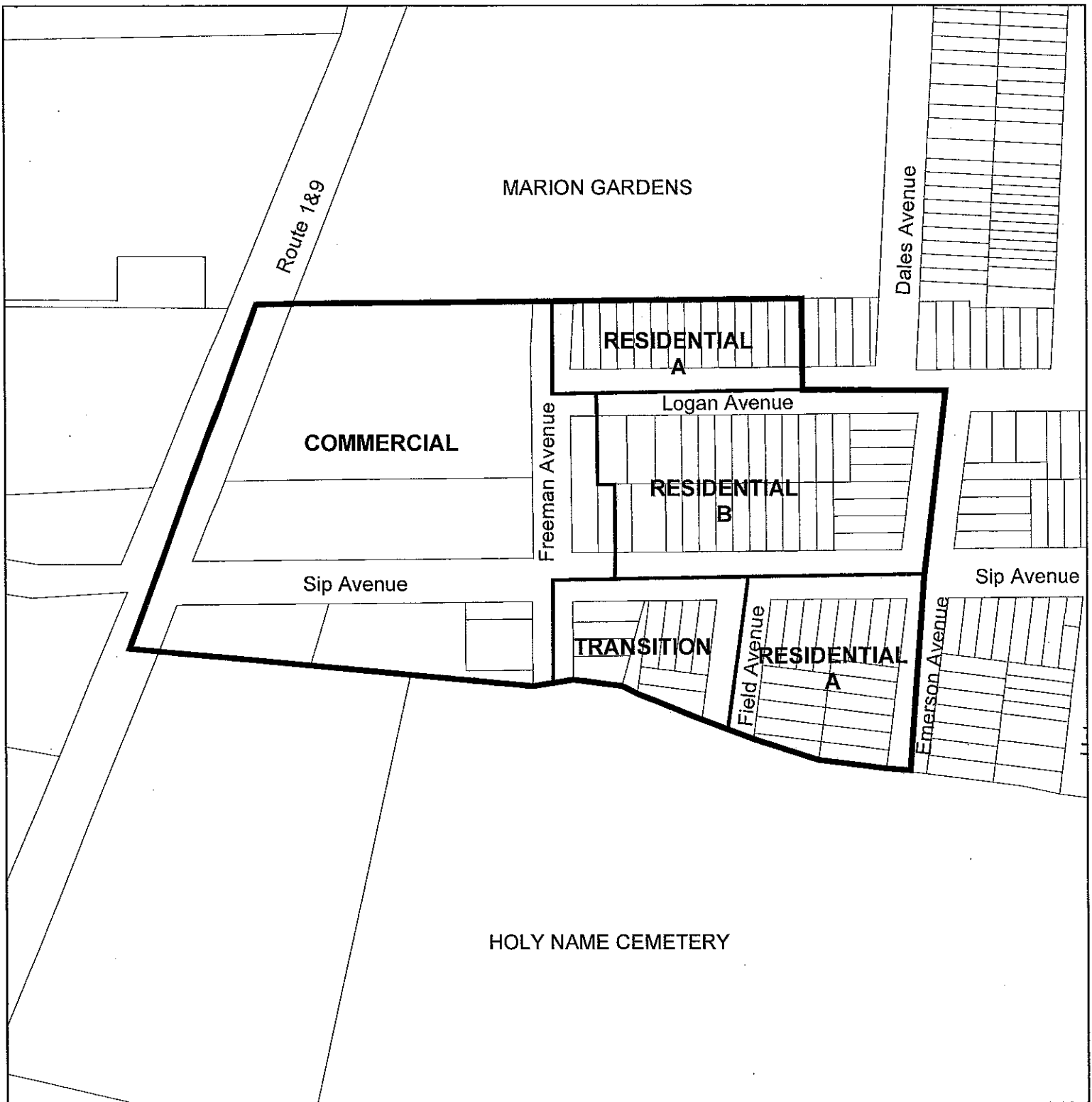
- A. This Plan may be amended from time to time upon compliance with the requirements of law. A fee of one thousand dollars (\$1,000), plus all costs for copying and transcripts shall be payable to the City of Jersey City for any request to amend this Plan. If there is a designated developer, as provided for under NJSA 40A: 12A-1 et. seq., said developer shall pay these costs. If there is no developer the appropriate agency shall be responsible for any and all costs.
- B. No amendment to this Plan shall be approved without a public hearing by the Planning Board, and a public hearing and adoption by Municipal Council. A copy of any proposed change to the Plan shall be filed with the Office of the City Clerk.



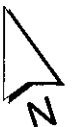
SIP AVENUE GATEWAY REDEVELOPMENT PLAN AREA **MAP 3: LAND USE MAP**

TO BE AMENDED



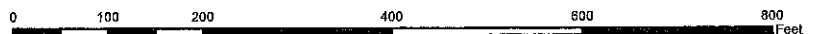


SIP AVENUE GATEWAY REDEVELOPMENT PLAN AREA MAP 3: LAND USE MAP



1 inch = 200 feet

October 14, 2014



City Clerk File No. Ord. 14.140

Agenda No. 3.D 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.140

AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE II (TRAFFIC REGULATIONS) SECTION 332-5 (ONE-WAY STREETS) REPEALING THE ONE WAY SOUTH DESIGNATION ON JACKSON AVENUE BETWEEN COMMUNIPAW AVENUE AND 240 FEET SOUTH (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT); SECTION 332-6 (U-TURNS) PROHIBITING A "U-TURN" ON JACKSON AVENUE BETWEEN COMMUNIPAW AVENUE AND 240 FEET SOUTH (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT); SECTION 332-9 (STOP INTERSECTIONS) DESIGNATE JACKSON AVENUE AND COMMUNIPAW AVENUE AS A STOP INTERSECTION AND SECTION 332-12 (NO-PASSING ZONES) DESIGNATING JACKSON AVENUE BETWEEN COMMUNIPAW AVENUE AND 240 FEET SOUTH (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT) AS A NO-PASSING ZONE AND SUPPLEMENTING ARTICLE III (PARKING, STANDING AND STOPPING) SECTION 332-22 (PARKING PROHIBITED AT ALL TIMES) DESIGNATING NO PARKING ANY TIME ON THE SOUTH SIDE OF CLINTON AVENUE FROM JACKSON AVENUE TO A POINT 50 FEET WEST; ON THE NORTH SIDE OF CLINTON AVENUE FROM JACKSON AVENUE TO SEIDLER STREET; ON THE EAST SIDE OF JACKSON AVENUE, CLINTON AVENUE TO COMMUNIPAW AVENUE; ON THE WEST SIDE OF JACKSON AVENUE, 240 FEET SOUTH OF COMMUNIPAW AVENUE (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT) TO CLINTON AVENUE AND SECTION 332-23 (NO STOPPING OR STANDING) DESIGNATING NO STOPPING OR STANDING ON THE WEST SIDE OF MARTIN LUTHER KING DRIVE BEGINNING AT THE NORTHERN LIMIT OF THE WEST DISTRICT POLICE PLAZA TO A POINT 130 FEET SOUTH

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

- Chapter 332 (Vehicles and Traffic) Article II (Traffic Regulations) of the Jersey City Code is hereby supplemented as follows:

Sec. 332-5 One-way streets.

The streets or parts of streets listed below are hereby designated as one-way streets in the direction indicated

One-Way Streets

Name of Street	Direction of Travel	Limits
Jackson Av	South	<u>[Entire Length]</u> <u>Beginning at a point approximately 240 feet south of</u> <u>Communipaw Av (north building line of the West District Police</u> <u>Precinct) to Clinton Av</u>

Sec. 332-6 U-turns.

No person shall make a U-turn on any of the streets or parts of streets listed below.

U-Turns

Name of Street	Limits
<u>Jackson Av</u>	<u>Communipaw Avenue to a point approximately 240 feet south</u> <u>(North building line of the West District Police Precinct)</u>

Continued.....

Sec. 332-9 Stop intersections.

The intersections listed below are hereby designated as stop intersections. Stop signs shall be installed as provided therein.

Stop Intersections

Street 1 (Stop Sign On)	Direction of Travel	Street 2 (At Intersection)
<u>Jackson Av</u>	<u>North</u>	<u>Communipaw Av</u>

Sec. 332-12 No-passing zones.

No-passing zones are hereby established and shall be maintained along those streets or parts of streets listed below.

No-Passing Zones

Jackson Av From Communipaw Avenue to 240 feet south(north building line of the West District Police Precinct)

Sec. 332-22 Parking prohibited at all times.

No person shall park a vehicle at any time upon any of the streets, or parts thereof, listed below.

Parking Prohibited At All Times

Name of Street	Sides	Limits
<u>Clinton Av</u>	<u>South</u> <u>North</u>	<u>Jackson Av to a point 50 feet west</u> <u>Jackson Av to Seidler St</u> <u>Bergen Av to West Side Av</u>
<u>Jackson Av</u>	<u>East</u> <u>West</u>	<u>Clinton Av to Communipaw Av</u> <u>Beginning approximately 240 feet south of Communipaw Av</u> <u>(North building line of the West District Police Precinct) to</u> <u>Clinton Av</u>

Sec. 332-23 No stopping or standing

No person shall stop or stand a vehicle upon any of the streets, or parts thereof, listed below.

No Stopping or Standing

Name of Street	Sides	Limits
<u>ML King Dr</u>	<u>West</u>	<u>Northern limit of the West District Police Plaza to a point 130</u> <u>feet south</u>

2. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
3. This ordinance shall be a part of the Jersey City Code as though codified and incorporated in the official copies of the Jersey City Code.
4. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.
5. This ordinance shall take effect at the time and in the manner as provided by Law.


NOTE: The new material to be inserted is underscored; material to be repealed is in [brackets].

JDS:pc1
(10.01.15)

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: 
Director of Traffic & Transportation

APPROVED: 
Municipal Engineer
APPROVED: _____

Business Administrator

Certification Required ☐
Not Required ☐

ORDINANCE FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance

AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE II (TRAFFIC REGULATIONS) SECTION 332-5 (ONE-WAY STREETS) REPEALING THE ONE WAY SOUTH DESIGNATION ON JACKSON AVENUE BETWEEN COMMUNIPAW AVENUE AND 240 FEET SOUTH (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT); SECTION 332-6 (U-TURNS) PROHIBITING A "U-TURN" ON JACKSON AVENUE BETWEEN COMMUNIPAW AVENUE AND 240 FEET SOUTH (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT); SECTION 332-9 (STOP INTERSECTIONS) DESIGNATE JACKSON AVENUE AND COMMUNIPAW AVENUE AS A STOP INTERSECTION AND SECTION 332-12 (NO-PASSING ZONES) DESIGNATING JACKSON AVENUE BETWEEN COMMUNIPAW AVENUE AND 240 FEET SOUTH (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT) AS A NO-PASSING ZONE AND SUPPLEMENTING ARTICLE III (PARKING, STANDING AND STOPPING) SECTION 332-22 (PARKING PROHIBITED AT ALL TIMES) DESIGNATING NO PARKING ANY TIME ON THE SOUTH SIDE OF CLINTON AVENUE FROM JACKSON AVENUE TO A POINT 50 FEET WEST; ON THE NORTH SIDE OF CLINTON AVENUE FROM JACKSON AVENUE TO SEIDLER STREET; ON THE EAST SIDE OF JACKSON AVENUE, CLINTON AVENUE TO COMMUNIPAW AVENUE; ON THE WEST SIDE OF JACKSON AVENUE, 240 FEET SOUTH OF COMMUNIPAW AVENUE (NORTH BUILDING LINE OF THE WEST DISTRICT POLICE PRECINCT) TO CLINTON AVENUE AND SECTION 332-23 (NO STOPPING OR STANDING) DESIGNATING NO STOPPING OR STANDING ON THE WEST SIDE OF MARTIN LUTHER KING DRIVE BEGINNING AT THE NORTHERN LIMIT OF THE WEST DISTRICT POLICE PLAZA TO A POINT 130 FEET SOUTH

Initiator

Department/Division	Administration	Architecture, Engineering, Traffic and Transportation
Name/Title	Joao D'Souza on behalf of Brian Weller, L.L.A., ASLA, Director of Architecture, Engineering, Traffic and Transportation	Director of Traffic & Transportation
Phone/email	201.547.4470	JOAO@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

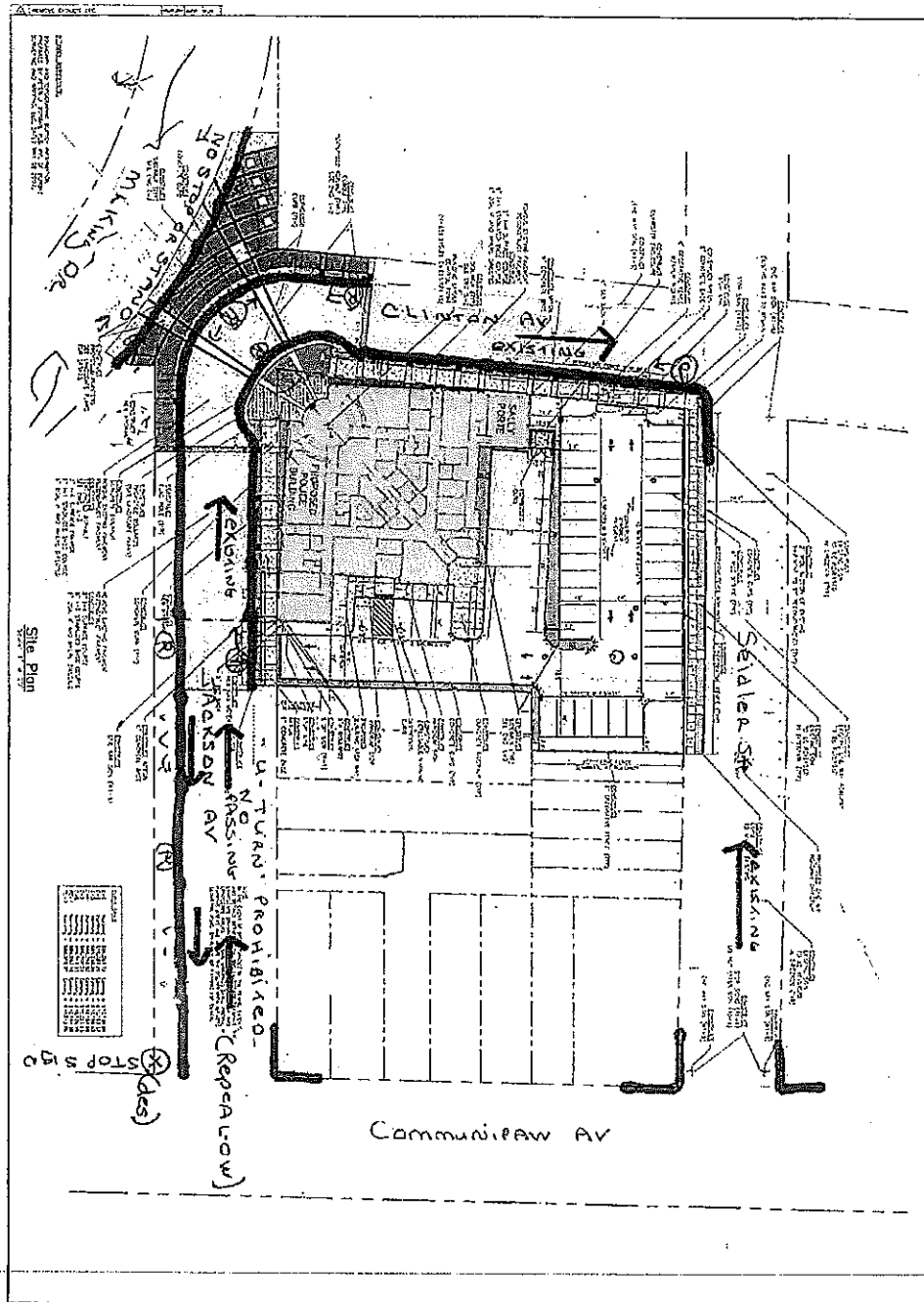
Ordinance Purpose

Amend the "one way" south on Jackson Avenue from entire length to beginning at a point 240 feet south of Communipaw Avenue (North building line of the West District Police Precinct) to Clinton Av
Prohibit the "U-Turn" on Jackson Avenue from Communipaw Avenue to a point 240 feet south (North building line of the West District Police Precinct)
Designate Jackson Avenue and Communipaw Avenue as a "stop" intersection, stopping Jackson Avenue
Designate Jackson Avenue from Communipaw Avenue to a point 240 feet south (North building line of the West District Police Precinct) as a "no-passing" zone
Designate "no parking any time" on the South side of Clinton Avenue from Jackson Avenue to 50 feet west
Designate "no parking any time" on the North side of Clinton Avenue from Jackson Avenue to Seidler Street
Designate "no parking any time" on the East side of Jackson Avenue from Clinton Avenue to Communipaw Avenue
Designate "no parking any time" on the West side of Jackson Avenue from 240 feet south of Communipaw Avenue (North building line of the West District Police Precinct) to Clinton Avenue
Designate "no stopping or standing" on the West side of ML King Drive from the Northern limit of the West District Police Plaza to 130 feet south

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date



<p>C-3</p>	<p>SITE PLAN</p>	<p>WEST DISTRICT POLICE PRECINCT CITY OF JERSEY CITY</p>	<p>THE GOLDSTEIN PARTNERSHIP ARCHITECTS</p>	<p>DISVALITY STREET, SUITE 100, HUNTERDON, NJ 07001</p>
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City Clerk File No. _____ Ord. 14.141

Agenda No. _____ 3.E _____ 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.141

TITLE: ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, 3 Journal Square Urban Renewal, LLC, is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

WHEREAS, the Entity is the contract purchaser of certain property known as Condo Unit 2 within a portion of Block 9403, Lot 15, on the City's Official Tax map, consisting of approximately 1.15 acres, and more commonly known by the existing street address of 2 Journal Square, to be known as 2955 John F. Kennedy Boulevard, and more specifically described by metes and bounds, in the application (Property); and

WHEREAS, upon recordation of a Master Deed, Condo Unit 2 will consist of the air rights above 2 Journal Square, to be known as Block 9403, Lot 15, C.3002, together with a maximum percentage of the limited common elements (excluding land taxes) of 41%; and

WHEREAS, in no event shall the Entity take a credit for land tax paid based on its 41% of the limited or common elements that are part of the existing improvements on Lot 15 (the office building and parking deck). The credit shall only pertain to land taxes assessed to and paid on Block 9403, Lot 15, C.3002, which annual amount is estimated to be \$55,748; and

WHEREAS, the Property is located within the Journal Square 2060 Redevelopment Plan Area, as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g); and

WHEREAS, by an application amended on September 26, 2014, the Entity applied for a 30 Year long term tax exemption to construct a mixed use residential rental project within Condo Unit 2, to consist of a thirteen (13) story building (on top of the existing parking deck) to contain approximately two hundred forty (240) market rate residential rental units and approximately two thousand four hundred (2,400) square feet of mixed commercial and residential uses on the ground level (Project); and

WHEREAS, the Project received site plan approval from the Planning Board on December 4, 2012; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 10% of the Annual Gross Revenue, which sum is initially estimated to be \$518,507; and which shall be subject to statutory staged increases over the term of the tax exemption; and
2. pay an annual sum equal to 0.5% of each prior year's Annual Service Charge as an Administrative Fee initially estimated at \$2,593; and
3. provide employment and other economic opportunities for City residents and businesses; and
4. pay to the City, for remittance to Hudson County, an additional amount equal to 5% of the Annual Service Charge estimated to be \$25,925; and

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

5. pay the sum of \$363,600 to the City's Affordable Housing Trust Fund;
6. execute a Project Employment & Contracting Agreement and under Section 304-33 of the Jersey City Municipal Code a Project Labor Agreement, and comply with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code;
7. pay the sum of \$1,143,000 as an Additional Service Charge upon execution of the Financial Agreement; and

WHEREAS, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption, for the following reasons:

1. there are no current real estate taxes assessed on the proposed air rights area (Condo Unit 2, Block 9403, Lot 15, C.3002), and therefore, the air rights area generates \$0 revenue, whereas, the Annual Service Charge as estimated, will initially generate approximately \$518,507 to the City;
2. the Project will create approximately 400 jobs during construction and 12 new permanent jobs;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Journal Square 2060 Redevelopment Plan;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

WHEREAS, the City hereby determines that the tax exemption is important in obtaining development of the project and influencing the locational decisions of probable occupants for the following reasons:

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract tenants to the Project and insure the likelihood of the success of the Project; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has agreed to execute Project Labor Agreement, and comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

A. The application of 3 Journal Square Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., a copy of which is on file in the office of the City Clerk, for Condo Unit 2 located within a portion of Block 9403, Lot 15, C.3002, more commonly known by the existing street address of 2 Journal Square, to be identified as 2955 John F. Kennedy Boulevard, more specifically described by metes and bounds in the application and subject to the recordation of a Master Deed, is hereby approved.

B. The Mayor or Business Administrator is hereby authorized to execute a tax exemption Financial Agreement. The Financial Agreement shall include at a minimum the following terms and conditions:

1. Term: the earlier of 35 years from the adoption of the within Ordinance or 30 years from the date the project is Substantially Complete;

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

2. Annual Service Charge: each year the greater of:
 - (a) the Minimum Annual Service Charge equal to \$518,507 upon Project Completion, whether or not the Project is occupied; or
 - (b) 10% of the Annual Gross Revenue, which initial sum is estimated to be \$518,507, and which shall be subject to statutory increases during the term of the tax exemption.
3. Administrative Fee: 0.5% of the prior year's Annual Service Charge estimated to be \$2,593;
4. County Payment: 5% of the Annual Service Charge to the City for remittance by the City to Hudson County estimated to be \$25,925;
5. Project: A mixed use residential rental project, which will consist of a mixed use residential rental project, which will consist of a thirteen (13) story building within the air rights above the existing parking deck (Condo Unit 2) to contain approximately two hundred forty (240) market rate residential units and approximately two thousand four hundred (2,400) square feet of mixed commercial/residential rental uses on the ground level;
6. Affordable Housing Trust Fund: \$1,500 per unit or \$360,000 and \$1.50 per square foot x 2,400 square feet or \$3,600, for a total of \$363,600. Such funds are non-refundable and non-transferrable in the event of a termination or expiration of the Financial Agreement;
7. Staged Adjustments:
 - (a) Stage One: years 1-6;
 - (b) Stage Two: years 7-9;
 - (c) Stage Three: years 10-12;
 - (d) Stage Four: years 13-14;
 - (e) Final Stage: Beginning on the 1st day of the 15th year through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due.
8. Execution of a Project Employment and Contracting Agreement;
9. Execution of a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code;
10. Compliance with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code.
11. Payment of the sum of \$1,143,000 as an Additional Service Charge upon execution of the Financial Agreement to the City to resolve and settle any and all amounts in dispute, and alleged to be owed by PHM Urban Renewal Associates, LLC [PHM], a prior owner of Lot 15, to the City for the years from 2002 through the transfer of Lot 15 by PHM in 2011. Such funds are non-refundable and non-transferrable in the event of a termination or expiration of the Financial Agreement.
12. The only land tax credits available to 3 Journal Square Urban Renewal, LLC, and this Project shall be specifically limited to only the land taxes generated by the new land assessment set by the Tax Assessor for the new Condo Unit 2, Lot C.3002 in Block 9403. More specifically, 3 Journal Square Urban Renewal, LLC and the Project shall not be entitled to any land tax credits for the existing or future land taxes paid on the existing office building and garage structure on Lot 15 in Block 9403, regardless of any classification of the office building or garage structure in the Master Deed or as common elements, limited common elements, or otherwise.
13. The Affordable Housing Trust Fund contribution and Additional Service Charge payment shall be due on execution of the Financial Agreement, but in no event later than 90 days of the adoption of the ordinance. If the Financial Agreement is not executed for any reason, interest shall accrue on such payments as of the 91st day at the same rate as the City charges for unpaid real estate taxes.

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

14. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project is: 1) commenced within two (2) years; 2) Substantially Complete within five (5) years of the adoption of the within Ordinance.

C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.

D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary.

E. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

F. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

G. This ordinance shall take effect at the time and in the manner provided by law.

H. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face**
and repealed matter by *italic*.

JM/he
10/15/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ordinance approving a thirty (30) year tax exemption for a commercial/residential rental project to be constructed by 3 Journal Square Urban Renewal LLC , pursuant to the provisions of the long term tax exemption law NJSA 40A:20-1 et seq for the property designated as Block 9403 Lot 15 C0002 on the city tax map

Initiator

Department/Division	office of the Mayor	
Name/Title	Brian Platt	
Phone/email	201-547-5200	bplatt@icnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

3 Journal Square Urban Renewal LLC has applied for a 30 year long term tax exemption to construct a 13 story building on top of the existing parking deck with 240 residential units and 2400 square feet of mixed use on the ground level.

This abatement application meets all the standards present in the Mayor's Executive Order concerning Long Term Tax Exemptions, commonly known as abatements.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

3 JOURNAL SQUARE

1. Ownership disclosure certification
2. Fiscal Impact Cost Projection
3. Good Faith estimate of rental income/condo
4. Projected construction costs
5. Schedule of ASC over the abatement*
6. Tax Assessor spreadsheet
7. Projection of sales price for condos (n/a)
8. Memorandum from Al Cameron to the Law Department
9. Financial Agreement (attached to the Ordinance)

*When dealing with tax exemptions approved under the Five Year Tax Exemption statute, the Tax Assessor's spreadsheet includes a schedule of both the ASC and conventional taxes, accordingly a separate schedule is duplicative and is therefore not included with Five Year abatements

EXHIBIT F

3 JOURNAL SQUARE URBAN RENEWAL, LLC

Disclosure Statement

NAME OF ENTITY: 3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, New Jersey 07096-1515

LOCATION OF PROJECT: Block 9403, Lot 15
2 Journal Square
Jersey City, New Jersey 07306

PRINCIPAL PLACE OF BUSINESS: 400 Plaza Drive
P.O. Box 1515
Secaucus, New Jersey 07096-1515

NAME OF REGISTERED AGENT: Irwin A. Horowitz

ADDRESS: 400 Plaza Drive
P.O. Box 1515
Secaucus, New Jersey 07096-1515

NAME	ADDRESS	PERCENT OWNED
------	---------	---------------

SEE ATTACHED (4 PAGES)

I CERTIFY THAT THE FOREGOING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT HAS PROVIDED THE NAMES OF ANY ENTITY OWNING A 10% OR GREATER INTEREST THEREIN)

I FURTHER CERTIFY THAT NO OFFICER OR EMPLOYEE OF THE CITY OF JERSEY CITY HAS ANY INTEREST, DIRECT OR INDIRECT, IN THIS ENTITY.

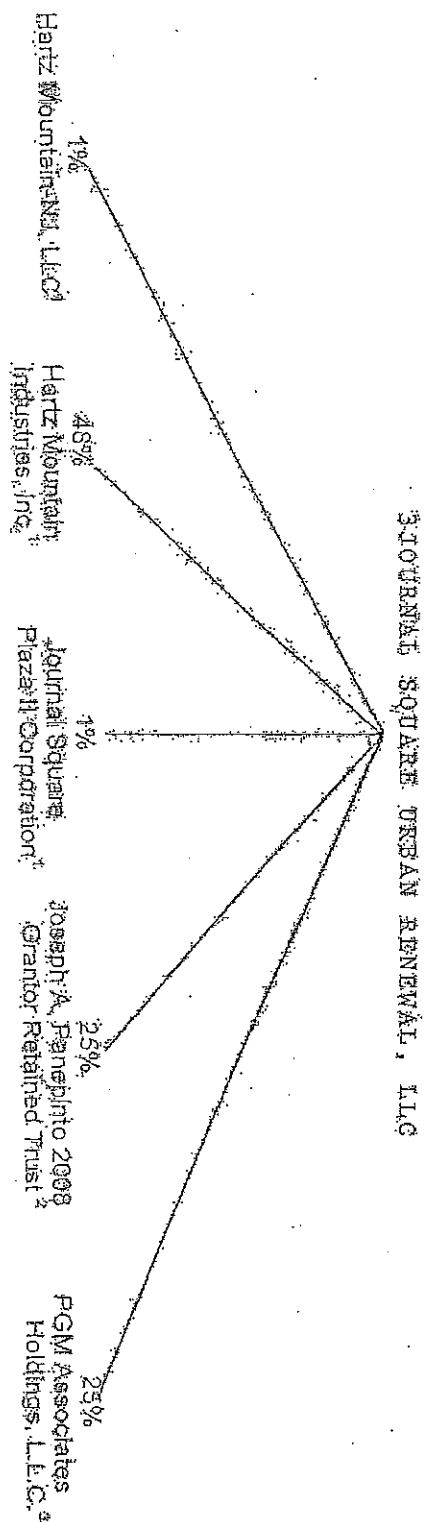
I CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

Dated: March 7, 2013

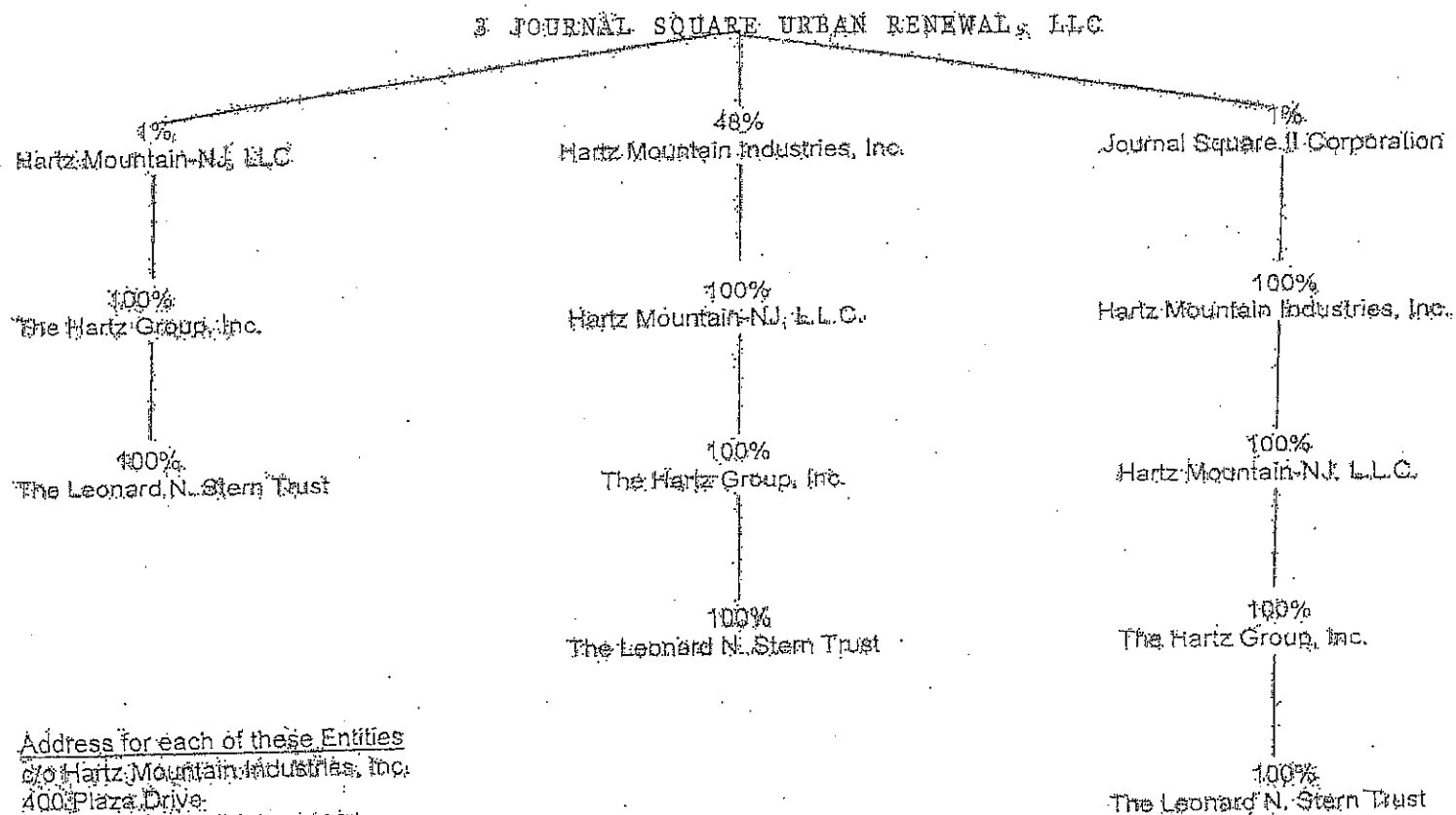
3 Journal Square Urban Renewal, LLC

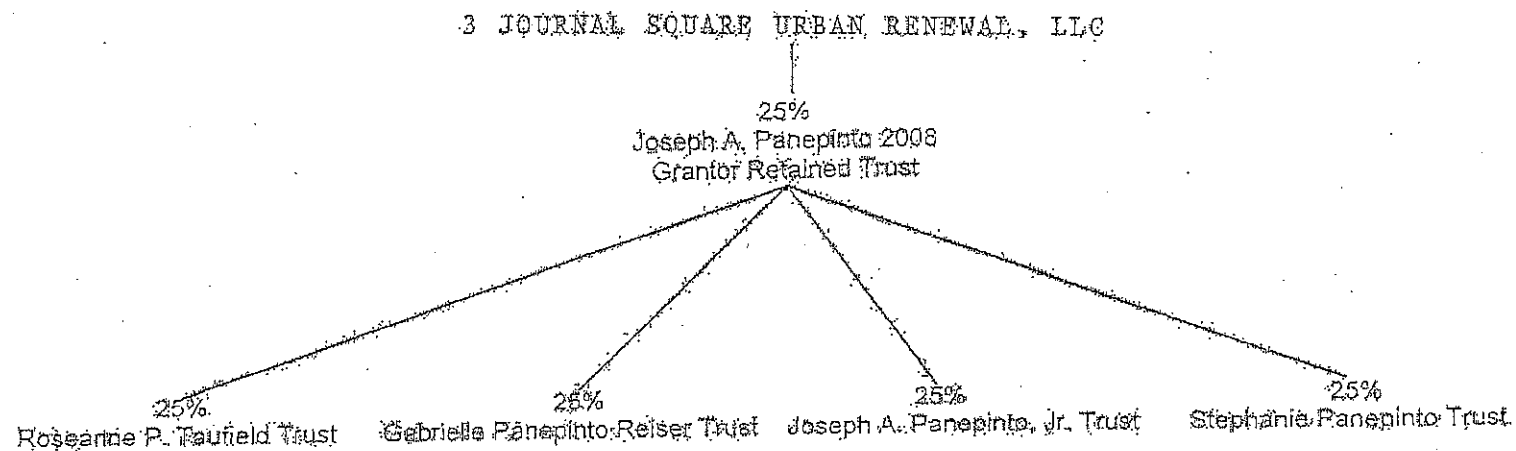
By: _____


Allen J. Magrini

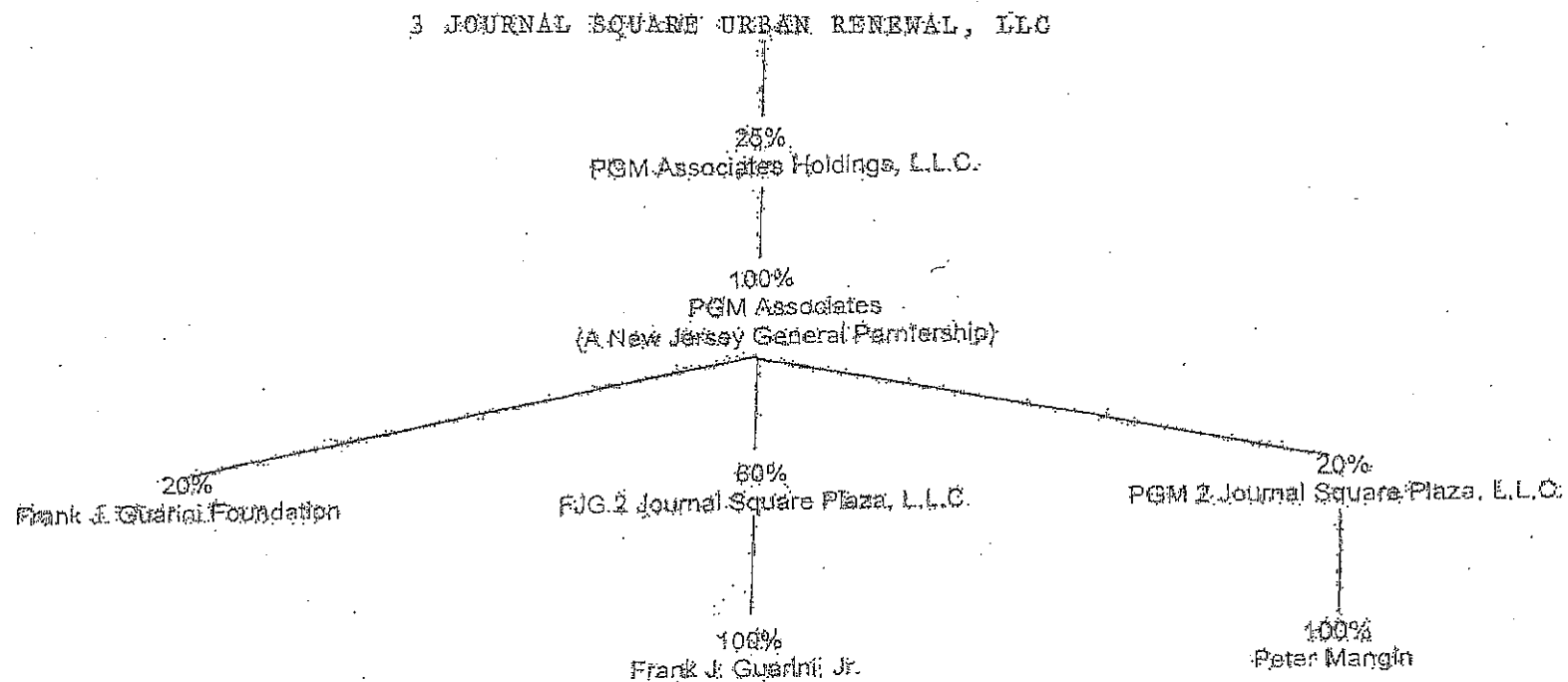


- 1 See Attachment Page 1
- 2 See Attachment Page 2
- 3 See Attachment Page 3





Address for each of these Entities
Harborside Plaza 10
3 Second Street
Jersey City, New Jersey 07311



Address for each of these Entities:
c/o Garden State Development, Inc.
30 Montgomery Street
Jersey City, New Jersey 07302

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS)
3 JOURNAL SQUARE URBAN RENEWAL
 Block: 9403 Lot: 15 Loc: 2 JOURNAL SQ. (2935 KENNEDY BLVD)

Market Rate Rental Units with Retail & Parking		Demographic Multipliers				Annual Expenditures		Total Annual Expenditures		
Planned Development	Number of Units	Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
Studio	89	1.000	0.000	89.00	0.00	\$1,153.91	\$3,005.00	\$102,697.99	\$0.00	\$102,697.99
1 - Bedroom	115	1.421	0.000	163.42	0.00	\$1,153.91	\$3,005.00	\$188,566.20	\$0.00	\$188,566.20
2 - Bedroom	31	2.012	0.032	62.37	0.99	\$1,153.91	\$3,005.00	\$71,971.67	\$2,980.96	\$74,952.63
3 - Bedroom	5	2.798	0.038	13.99	0.19	\$1,153.91	\$3,005.00	\$16,143.20	\$570.95	\$16,714.15
TOTAL	240			314.79	0.99			\$363,235.87	\$2,980.96	\$366,216.83

1. Total Municipal Ratables	\$5,795,484,581	4. Fiscal Year 2013 Budget	\$500,097,007	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 366,216.83
2. Residential Ratables	\$3,310,951,465			7. Per Capita Municipal Cost	\$1,153.91	10. Anticipated Gross PILOT	
Commercial Ratables	\$1,374,936,492			8. Annual Expenditures Per Student	\$3,005.00	10% Annual Gross	\$ 518,507.00
3. Residential Ratables as a Percentage of Total Ratables	57.13%	5. Residential Portion	\$285,704,654			County (5%)	\$ 25,925.35
						Admin (2%)	\$ 10,370.14
						Less Land (74.34)	\$ (55,740.13)
						Total	\$ 499,062.36
						11. Implied Surplus (Cost)	\$ 132,845.53

Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs.

EXHIBIT B-1

DESCRIPTION OF RESIDENTIAL LEASES
GOOD FAITH ESTIMATE OF INITIAL RENTS

- | | |
|---|---|
| 1. Name of Tenant | Various |
| 2. Term of Lease | No less than 12 months |
| 3. Number of Apartments | Studios - 89
One Bedrooms - 115
Two Bedrooms - 31
Three Bedrooms - 5

Total: 240 |
| 4. Annual Rent per Apartment | Studios - \$19,056
One Bedrooms - \$21,696
Two Bedrooms - \$25,260
Three Bedrooms - \$29,616 |
| 5. Total Annual Rent | \$ 5,122,805 |
| 6. Premium Paid Directly by Tenant Annually | |
| a. Fire & Other Insurance | N/A |
| b. Real Estate Taxes & Assessments on property in project | N/A |
| c. Operating & maintenance expenses ordinarily paid by tenant | N/A |
| 7. Renewal Option (Yes/No) | |
| a. Number of years | One |
| b. Renewal Rent | Market Increases |
| 8. Special Features (step-up rents, etc.) | |
| | None |

[illegible]

EXHIBIT B-3

PROJECTED ANNUAL GROSS REVENUE COMPUTATION

- | | | |
|----|---|----------------|
| 1. | Total Annual Gross Rental | ** (see below) |
| 2. | Real Estate Taxes and/or Assessment on Property * | \$ None |
| 3. | Insurance Premiums * | \$ None |
| 4. | Operating, maintenance or Repair Expense * | \$ None |

* N.J.S.A. 40A:20-3(A) provides that "if in any leasing, any real estate taxes or assessments on property included in the project, any premiums for fire or other insurance on or concerning property included in the project or any operating or maintenance expenses ordinarily paid by a landlord are to be paid by the tenant; then such payments shall be computed and be deemed part of the rent and shall be included in the annual gross revenue".

** Total Annual Gross Rental

Commercial

Retail - 2,400 SF @ \$ 15 \$ 36,000

Apartments:

Studios \$ 1,696,118

One-bedrooms \$ 2,495,500

Two-bedrooms \$ 783,138

Three-bedrooms \$ 148,050

Miscellaneous Income - Pet Fees,

Amenity Fees, Storage, Late Fees \$ 282,400

Vacancy Adjustment 95% (\$ 256,140)

Annual Gross Revenue \$ 5,185,065

5. Annual Payment in Lieu of Taxes: 10% of \$ 5,185,065 = \$ 518,507 / \$2,160 per unit.

EXHIBIT C

ESTIMATED TOTAL PROJECT COST

a.	Land value:	\$ 8,400,000
b.	Architects, engineers and attorneys fees:	\$ 2,640,000
c.	Surveying and testing charges:	\$ 75,000
d.	Actual construction cost as certified by the architect, including site preparation:	\$ 55,367,836
e.	Insurance, interest and finance costs during construction:	\$ 2,441,065
f.	Cost of obtaining initial permanent financing:	\$ 250,000
g.	Commissions and other expenses payable in connection with initial lease of units:	\$ 474,000
h.	Real estate taxes and assessments during construction period:	\$ 100,000
i.	Developer's overhead (5% of actual construction costs set forth in 40:A20-3(h), as amended):	\$ 2,768,392
	TOTAL:	\$ 72,516,293

EXHIBIT C-1

3 JOURNAL SQUARE URBAN RENEWAL, LLC

Certification of Estimated Construction Costs

On this 5th day of March 2014, the undersigned being the architect for the Project to be developed by 3 Journal Square Urban Renewal, LLC, does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project proposed on Block 9403, Lot 15, more commonly referred to as 2 Journal Square, Jersey City, New Jersey.

Witnessed:

By: Carol Fee

CAROL FEE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 29, 2015

By: [Signature]
Name: Michael Higgins, AIA

Title: Architect

SERVICE CHARGE VS CONVENTIONAL - JOURNAL SQ 3

*ASSUMING 74.34 TAX RATE WITH 2% ANNUAL INCREASE

NEW ASSESSMENTS BASED ON TAX ASSESSOR ANALYSIS

LAND	749,800	COUNTY	5%
BLDG	10,455,800	ADMIN	2%
TOTAL	11,205,600		

YEAR	Annual Service Charge w/ Phase-In	County (5%)	Admin (2%)	Conventional Taxes (2% Annual Increase)	Step Up Rate	% of Conv.	Conventional Taxes at 51%
1	518,507	25,925	10,370	833,024			424,842
2	518,507	25,925	10,370	849,685			433,339
3	518,507	25,925	10,370	866,678			442,006
4	518,507	25,925	10,370	884,012			450,846
5	518,507	25,925	10,370	901,692			459,863
6	518,507	25,925	10,370	919,726			469,060
7	518,507	25,925	10,370	938,121	20%	187,624	478,442
8	518,507	25,925	10,370	956,883	20%	191,377	488,010
9	518,507	25,925	10,370	976,021	20%	195,204	497,771
10	518,507	25,925	10,370	995,541	40%	398,216	507,726
11	518,507	25,925	10,370	1,015,452	40%	406,181	517,881
12	518,507	25,925	10,370	1,035,761	40%	414,304	528,238
13	633,886	31,694	12,678	1,056,476	60%	633,886	538,803
14	646,563	32,328	12,931	1,077,606	60%	646,563	549,579
15	879,326	43,966	17,587	1,099,158	80%	879,326	560,571
16	896,913	44,846	17,938	1,121,141	80%	896,913	571,782
17	914,851	45,743	18,297	1,143,564	80%	914,851	583,218
18	933,148	46,657	18,663	1,166,435	80%	933,148	594,882
19	951,811	47,591	19,036	1,189,764	80%	951,811	606,780
20	970,847	48,542	19,417	1,213,559	80%	970,847	618,915
21	990,264	49,513	19,805	1,237,830	80%	990,264	631,293
22	1,010,070	50,503	20,201	1,262,587	80%	1,010,070	643,919
23	1,030,271	51,514	20,605	1,287,839	80%	1,030,271	656,798
24	1,050,876	52,544	21,018	1,313,595	80%	1,050,876	669,934
25	1,071,894	53,595	21,438	1,339,867	80%	1,071,894	683,332
26	1,093,332	54,667	21,867	1,366,665	80%	1,093,332	696,999
27	1,115,198	55,760	22,304	1,393,998	80%	1,115,198	710,939
28	1,137,502	56,875	22,750	1,421,878	80%	1,137,502	725,158
29	1,160,252	58,013	23,205	1,450,315	80%	1,160,252	739,661
30	1,183,457	59,173	23,669	1,479,322	80%	1,183,457	754,454

ASC phase-in reflects annual 2% increase in conventional taxes

3 Journal Square URBAN RENEWAL ASSOCIATES, LLC
 BLOCK 9403 Lot 15 QL: C0002
 2955 Kennedy Blvd.

Block	Lot	QL:		Existing Assessments	New Assessments	Good Faith Annual Revenue	Land Tax (Conventional)	Assessment obj. to Exemption
9403	15	C0002	Land	-	749,800			
			Bldg		11,236,800	5,185,065		11,236,800
			Total	-	11,986,600	5,185,065		11,236,800

**In-Lieu of Full Property Tax Payments An Amount Equal To A
 A Percentage Of Taxes Otherwise Due On The Land and
 New Improvement According To The Following Stages:**

		ASC	Annual Taxes* (Phase-In)
Stage One	From the 1st day of the month following substantial completion until the last day of the 15th year, the ASC shall be at 10% of Annual Revenue	\$ 518,507	\$ 55,740 0
Stage Two	Beginning on the 1st day of the 16th year and the last day of the 21st year of substantial completion, an amount equal to the greater of the ASC at 10% or 20% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 518,507	\$ 55,740 \$ 178,217
Stage Three	Beginning on the 1st day of the 22nd year and the last day of the 27th year of substantial completion, an amount equal to the greater of the ASC at 10% or 40% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 518,507	\$ 55,740 \$ 356,434
Stage Four	Beginning on the 1st day of the 28th year and the last day of the 29th year of substantial completion, an amount equal to the greater of the ASC at 10% or 60% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 518,507	\$ 55,740 \$ 534,650

Final Stage

Beginning on the 1st day of the 30th year and the last day of the 30th year of substantial completion, an amount equal to the greater of the ASC at 10% or 80% of the amount of taxes otherwise due on the value of the land and improvements.

\$ 518,507 \$ 55,980 \$ 712,867

Yearly Land and Improvement Yearly Tax \$ 891,084

* Based on \$74.34 Tax Rate

DATE: May 21, 2014

TO: Diana Jeffery (For distribution to City Council and City Clerk)

FROM: Al Cameron Fiscal Officer Tax Collector's Office

SUBJECT: TAX ABATEMENT: 3 Journal Square I Urban Renewal, L.L.C., (to be known as 2955 Kennedy Boulevard) - Block 9403 Lot 15 (to be known as Condominium unit 2 of the 2 Journal Square Condominium)

CC: M. Cosgrove, J. Monahan

INTRODUCTION:

The applicant, 3 Journal Square Urban Renewal, L.L.C., is applying for a thirty (30) Year tax abatement under N.J.S.A. 40 A: 20-1 et seq.

LOCATION OF THE PROPERTY:

The property, Block 9403 Lot 15 is commonly known as 2 Journal Square. It will be known as 2955 Kennedy Boulevard. The applicant's affiliate, PHM Urban Renewal Associates, has a purchase option lease and development agreement to develop over the existing parking deck. The property is located within the Journal Square 2060 Redevelopment Plan Area. The applicant states that the application fee was paid with the initial application. The initial application fee was paid in March 2013 for a substantially different application.

PROPERTY TO BE CONSTRUCTED:

It will be thirteen a (13) story mixed use project consisting of two hundred forty (240) residential units and approximately two thousand four hundred (2,400) sq. Ft. of commercial space.

ESTIMATED TOTAL PROJECT COST:

The estimated total project cost is \$72,516,293. The cost of construction is estimated to be \$55,367,836.

CONSTRUCTION SCHEDULE:

Construction is scheduled to begin in December 2014 and completed in approximately three (3) years.

ESTIMATED JOBS CREATED:

The applicant estimates that there will be four hundred (400) jobs created during

Construction and twelve (12) full-time permanent jobs after construction. Eight (8) of the jobs will be in real estate management and service. Four (4) will be in retail.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTIONS:

The applicant proposes an AHTF contribution of \$363,600 for the residential units and Commercial space. The calculations are correct.

CURRENT REAL ESTATE TAXES:

The current assessment for the property is \$1,140,000. Using the current tax rate of \$74.66 per thousand, the applicant estimates that the annual tax for the land to be used for the project would be approximately \$85,112.40. The Entity, known as Condo Unit 2, owns 41% share of the common elements as stipulated in the master deed. However, Condo Unit 2 is not entitled to a credit for the land that is part of existing improvements on Lot 15 (the office building and the parking deck). Condo Unit 2 will be entitled to a land tax credit on the air rights only, to be known as Block 9403, Lot 15, C.3002, assessed at a value of \$749,800, which estimated land tax for the air rights is \$55,740. A new master deed reflecting the new condominium structure has been submitted to the Tax Assessor and will be recorded after the entity elects the purchase option in the lease.

PROPOSED ABATEMENT:

The applicant has requested a term of thirty (30) years for the abatement based upon a rate of ten percent (10%) of the gross revenue of the project with no staged adjustments until year sixteen (16).

The Applicant will make an annual Hudson County tax payment of five percent (5%) of the service charge and an administrative fee to Jersey City of one half of one percent (0.5%) .

PROPOSED REVENUE TO THE CITY:

The Annual Service Charge at full occupancy (less 5% vacancy) would be \$518,507. The applicant is also paying a sum of \$1,143,000 as an additional service charge upon execution of the financial agreement. In addition a Hudson County tax at five percent (5%) of \$25,925 and the administrative fee to Jersey City at one half of one percent (0.5%) of \$2,593 would be due. The proposed Minimum Service Charge is \$33,579 per the proposed Financial Agreement. However; the applicant's estimate of the land taxes allocated to the air rights only on the project would be \$55,740. The Financial Agreement should use this amount as the minimum service charge. Based upon the lease up rate of nineteen (19) units the first month and thirteen (13) units per month thereafter it is unlikely that the annual payment would be less than the required minimum

payment.

The applicant is applying for LEED certification. If certification is granted the applicant will be entitled to refund of between ten percent (10%) and twenty-five percent (25%) of its building permits and other land use fees based upon the certification granted.

PROJECT LABOR AGREEMENT

The Applicant has agreed to enter into a PLA even though construction costs may not meet the threshold.

TIER 4 - FINANCIAL AGREEMENT (30 YEAR)

Rev. 10-15-14

Long Term Tax Exemption

N.J.S.A. 40A:20-1, et seq.

Re: 2 Journal Square
Approximately 3.039 Acres
Block 9403, Lot 15
Journal Square 2060 Redevelopment Plan

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the _____ day of __, 2014, by and between **3 JOURNAL SQUARE URBAN RENEWAL, LLC**, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 400 Plaza Drive, P.O. Box 1515, Secaucus, NJ 07096-1515 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Contract Purchaser of certain property designated as a portion of Block 9403, Lot 15, more commonly known by the street address of a portion of 2 Journal Square, Condominium Unit 2, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, upon recordation of a Master Deed, an intangible subdivision will be created as Block 9403, Lot 15, C.3002, to be known as Condo Unit 2, which will consist of the air rights above 2 Journal Square, together with a maximum percentage of the limited common elements (excluding land taxes) of 41%; and

WHEREAS, Condo Unit 2 shall not receive a land tax credit for its share of any common elements or limited common elements, but upon recordation of the Master Deed, Condo Unit 2 shall receive a credit for land taxes assessed against Block 9403, Lot 15, C.3002; and

WHEREAS, this property is located within the boundaries of the Journal Square 2060 Redevelopment Plan Area; and

WHEREAS, by an application amended on September 26, 2014, the Entity applied for a 30 Year long term tax exemption to construct a mixed use residential rental project within Condo Unit 2, to consist of a thirteen (13) story building (on top of the existing parking deck) to contain approximately two hundred forty (240) market rate residential rental units and approximately two thousand four hundred (2,400) square feet of mixed commercial and residential uses on the ground level [Project]; and

WHEREAS, on December 4, 2012, the Project received site plan approval from the Planning Board; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2014, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. there are no current real estate taxes assessed on the proposed air rights area over the existing parking garage, and therefore, the air rights area generates \$0 revenue, whereas, the Annual Service Charge as initially estimated, will generate revenue to the City of approximately \$518,507;
2. as required by ordinance 13-088, the Entity shall pay the City the sum of \$121,200 on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$242,400 as an affordable housing contribution as required by the ordinance;
3. pay the sum of \$1,143,000 as an Additional Service Charge upon execution of the Financial Agreement;
4. it is expected that the Project will create approximately over 400 new construction jobs and approximately 12 new permanent full time jobs;
5. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
6. the Project will further the objectives of the Journal Square 2060 Redevelopment Plan, and will include the development of vacant property;
7. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and
3. have a positive impact on the surrounding area.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2013-004, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

- i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per

annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.

iii. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include a payment for all annual excess profit.

iv. Additional Service Charge - The amount agreed to be paid by the Entity to the City to resolve and settle any and all amounts in dispute, and alleged to be owed by PHM Urban Renewal Associates, LLC [PHM], a prior owner of Lot 15, to the City for the years from 2002 through the transfer of Lot 15 by PHM in 2011. This amount resolves and settles any and all amounts alleged to be due by PHM during this time period (2002-2011), including but not limited to any taxes, administrative fees, excess profits, or other unknown fees or charges. Such funds are non-refundable and non-transferrable in the event of a termination or expiration of the Financial Agreement.

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A.

52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the project for a period equal to the term of this agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean 3 Journal Square Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge. However, the Entity shall not receive a credit for land taxes paid as part of its 41% share of common elements, but shall receive a credit for land taxes paid for Block 9403, Lot 15, C.3002 to be created upon recordation of a Master Deed.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 13-088, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance _____, which authorized the execution of this Agreement and

all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the greater of: (a) the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, in this case, the new land assessment for the air rights area is to be set at \$749,800, which is projected to generate \$55,748 per year, and which the parties agree to be the Minimum Annual Service Charge; or (b) the sum of \$518,507 per year, which sum is equal to the initially estimated Service Charge, will be due 12 months following Substantial Completion of the Project.

xvi. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xvii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xviii. Substantial Completion or Substantially Complete - The determination by the City

that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xix. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xx. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be included from Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. If the Service Charge is a percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 9403, Lot 15, more commonly known by the street address of a portion of 2 Journal Square, Condominium Unit 2, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a mixed use residential rental project within Condo Unit 2, to consist of a thirteen (13) story building on (top of the existing parking deck) to contain approximately two hundred forty (240) market rate residential rental units and approximately two thousand four hundred (2,400) square feet of mixed commercial and residential uses on the ground level; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the Contract Purchaser of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment Agreement.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.7 Good Faith Estimate of Initial Sale Prices or Rents

The Entity represents that its good faith projections of the initial sale price or rents and other revenue to the Project are set forth in Exhibit 7.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of 35 years from the date of the adoption of Ordinance ____ on _____, 2014, which approved the tax

exemption or 30 years from the original date of Substantial Completion of the Project or _____20_____. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of the Annual Gross Revenue, which sum is initially estimated to be \$518,507. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge, which sum is estimated to be \$25,925, shall be paid to the City and remitted by the City to the County.

iii. Additional Service Charge: the Entity will pay the sum of \$1,143,000 as an Additional Service Charge, payable upon execution of the Financial Agreement.

iv. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b), the City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 6th year, the Annual Service Charge shall be 10% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 7th year following Substantial Completion until the last day of the 9th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1st day of the 10th year following the Substantial Completion until the last day of the 12th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the 13th year following Substantial Completion until the last day of the 14th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

v. Final Stage: Beginning on the 1st day of the 15th year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

A. The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In no event shall the Entity take a credit for land tax paid based on its 41% of the limited or common elements that are part of the existing improvements on Lot 15 (the office building and parking deck). The credit shall only pertain to land taxes assessed to and paid on Block 9403, Lot 15, C.3002, which annual amount

is estimated to be \$55,748. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

B. The Entity shall not apply, in whole or in part, either the current or future land assessment and the taxes, any land the tax assessor attributes to Condominium Unit 1, or any of the common and limited common elements that are part of the existing parking deck, as a credit towards the payment of any Annual Service Charge due for this Project, Unit 2.

Section 4.4 Quarterly Installments / Interest

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as half of one (0.5%) percent of each prior year's Annual Service Charge, which sum is estimated to be \$2,593. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution.** The Entity will pay the City the sum of \$363,600 or [\$1,500 per unit or \$1.50 per square foot of commercial space] as a contribution. This payment is nonrefundable and nontransferrable and shall be forfeited should either party terminate the tax exemption prior to the end of the herein term. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and

- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

Section 5.2 Project Labor Agreement

The Entity shall execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code as it exists or as it may be amended from time to time.

Section 5.3 Living Wage Mandate

The Entity also agrees to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including by any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the

date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

Section 6.3 Construction Permits

The estimated construction cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit for the Project.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City

Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of

the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the

Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies

provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and

dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the

Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements for the Project, which is Unit 2, and to be identified as Lot C.3002. Both parties acknowledge that the land and improvements assessment, and value of the existing land and improvements identified currently as Lot 15, and to be identified as Unit 1 in the Master Deed, are separate and apart from this Project and abatement, and accordingly, any appeal by either party as to Unit 1 will not have an effect on the amounts due on the Project, Lot C.3002.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, NJ 07096-1515
Attn:

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Att: Charles Harington, Esq.

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties

and delivered to each party.

Section 18.4 Entire Document

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

Section 18.5 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rents;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

WITNESS:

3 JOURNAL SQUARE URBAN RENEWAL, LLC

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

ROBERT J. KAKOLESKI
BUSINESS ADMINISTRATOR

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ____ day of ____, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **3 JOURNAL SQUARE URBAN RENEWAL, LLC** [Recipient], having its principal office at 400 Plaza Drive, P.O. Box 1515, Secaucus, NJ 07096-1515.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
4. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council
5. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
6. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
7. "Local Business" means a bona fide business located in Jersey City.
8. "Minority" means a person who is defined as such under federal or state law.
9. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

10. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
14. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
15. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
17. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Business Contracting and Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is subject to the terms of a Project Labor Agreement during construction, this agreement shall apply only to Business Contracting and non-construction Permanent Jobs.

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any

preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____, approving the tax exemption and terminate the earlier of 35 years from the date of the adoption of that Ordinance or 30 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed.

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.

- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.

- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

2. **Business Contracting**

- A. Good Faith shall mean compliance with all of the following conditions:
 - i) Solicitation of Businesses:
 - a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
 - b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
 - c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
 - d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
 - e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
 - f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement)

was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

3. **Commercial Tenants at the Project Site**

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

VII. Notices of Violation:

1. **Advisory Notice:** The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
2. **Violation Notice:** If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
3. **Correcting the Violation:** Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

VIII. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set

forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

IX. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, NJ 07096-1515
Att:

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

X. Appendix

These forms are examples only and shall be in substantially the form attached, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report

7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XI. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

**3 JOURNAL SQUARE URBAN
RENEWAL, LLC**

Secretary

President